

**COST OF GOVERNMENT COMMISSION
MINUTES
“Hybrid-Remote” Via BlueJeans Videoconference
and
In-Person, Mayor’s Conference Room, 9th Floor, Kalana O Maui Building
January 12, 2023**

PRESENT: Michael Williams, Chair
Daniel O’Brien, Vice Chair
Evan Dust, Member
Paula Heiskell, Member
Spencer Lau, Member
Sarah Simmons, Member
Poerava Tehiva, Member

ABSENT: Lu Ann Lankford-Faborito, Member

STAFF: Caleb Rowe, Deputy Corporation Counsel
Shelley Pellegrino, Technical Writer for the Commission
Lance Taguchi, County Auditor

I. CALL MEETING TO ORDER

Chair Williams called the meeting to order at 10:00 a.m.

II. ROLL CALL

Chair Williams took roll. Commissioners Dust, Heiskell, Lau, Tehiva, Vice-Chair O’Brien, and Chair Williams were present. Commissioner Lankford-Faborito was absent. There is one vacancy. All commissioners appeared remotely via BlueJeans.

III. PUBLIC TESTIMONY

There was no public testimony.

IV. REVIEW CORRESPONDENCE RECEIVED

There was no correspondence received.

V. REVIEW AND APPROVE [DECEMBER 8, 2022 COMMISSION MINUTES](#)

Commissioner Dust moved to approve the December 8, 2022 meeting minutes, and Commissioner Heiskell seconded the motion. There was no discussion. The Commission approved the minutes unanimously (7-0; one absent; one vacancy).

VI. COUNTY AUDITOR’S UPDATE

County Auditor Lance Taguchi stated that he did not have an update to provide.

VII. DISCUSS COST OF GOVERNMENT COMMISSION MEETING SCHEDULE

Commissioner Dust moved that the Commission retain the current meeting schedule through March 2023, and then poll the newly-appointed commissioners prior to setting the April meeting date. Commissioner Heiskell seconded the motion. There was no discussion. The Commission approved the motion unanimously (7-0; one absent; one vacancy).

VIII. DISCUSS COST OF GOVERNMENT COMMISSION VACANCIES AND STAGGERED TERMS

Chair Williams asked whether the recently approved Charter amendment providing that all commissioners be appointed to five-year terms applies to current COGC commissioners. Deputy Corporation Counsel Caleb Rowe responded that the new Charter amendment does not apply retroactively.

Commissioner Dust asked who from the new Administration had been assigned to oversee boards and commissions. Technical Writer Shelley Pellegrino stated that it was her understanding that Zeke Kalua would be overseeing the boards and commissions process.

Commissioner Dust suggested that the COGC draft a formal communication to Mayor Bissen requesting that the new administration's Chief Innovation Officer be the Mayor's liaison to the COGC.

Chair Williams proposed that the COGC write a formal letter to Mayor Bissen regarding the Commission's current vacancy, as well as the three additional vacancies at the end of March 2023, and the difficulty that will result with a Commission trying to function in April if it only has five commissioners.

Commissioner Dust stated that he thought the issues were separate and that two letters should be drafted. The first letter would address Commission vacancies and an inquiry into who on the Mayor's staff is managing the boards and commissions recruitment process. The second letter would request that someone in the Administration help the COGC understand the topics that might be of interest to the Commission. Chair Williams offered to draft a letter regarding the first issue and asked Commissioner Dust to draft a letter regarding the second.

Ms. Pellegrino noted that in previous years, a representative from the Mayor's Office regularly attended Commission meetings as the ex-officio member, and he or she acted as a liaison and connected the Commission to County staff who might be good resources or be able to answer Commission questions.

IX. UPDATE ON NON-TIG INVESTIGATIONS

A. Visitor Accommodations — Policy Options for Management (Chair Williams)

Chair Williams stated that he was continuing to work on the investigation and planned to transmit a draft report at the next meeting.

B. County Real Property Tax Policies

- Discussion of tax rate on non-owner occupied parcels where the registered owner is not a resident of Hawai'i

Chair Dust asked whether different tax rates could be applied for the same use based on the residency of the owner. Chair Williams responded that the State has always assessed a different tax rate for owner occupied versus non-owner occupied properties because the assessment is not based on the domicile of the owner but the use to which

the property is being put. Chair Dust stated that he understood the issue, but was concerned about Maui County residents who happen to own a second home for long-term rental or other purposes. Deputy Corporation Counsel Rowe agreed with Chair Williams explanation, namely that the distinction is based on the property use, not based on the residency of the taxpayer.

Chair Williams also stated that he is trying to draft an addendum to the report dealing with agricultural valuation.

C. County of Maui Capital Project Delivery Process (Commissioner Dust)

- Review [Proposed Parameters and Scope of Investigation into the County of Maui Capital Project Delivery Process](#)

Commissioner Dust moved to approve the proposed parameters and scope of investigation, and Vice-Chair O'Brien seconded the motion. There was no discussion. The Commission approved the motion unanimously (7-0; one absent; one vacancy).

X. **DISCUSS POTENTIAL TOPICS TO REVIEW AND POSSIBLE ESTABLISHMENT OF TEMPORARY INVESTIGATIVE GROUPS (TIGS)**

- [Summary of Cost of Government Commission Investigations and Reports \(2009–Present\)](#)

Chair Williams shared the summary of COGC investigations prepared by Ms. Pellegrino. There were no topics proposed and no further discussion.

XI. **DETERMINE NEXT MEETING DATE AND AGENDA**

The next Commission meeting is scheduled for February 12, 2023.

XII. **ADJOURNMENT**

The meeting adjourned at 10:33 a.m.